regard to modernisation work of Rourkela Steel Plant; and

(b) whether there are some Government guidelines with regard to award of work to Public Sector and whether these guidelines are being flouted?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) and (b) In accordance with Government guldelines, both public and private sector organisations are to be given equal chance. The public sector organisations would be given preference only if other things are equal.

Metallurgical and Engineering Consultants (India) Limited (MECON) have received order for some of the packages under Rourkela Steel Plant Modernisation Preject. Based on Government guidelines and the company's purchase procedure, MECON have placed orders both on public as well as private sector companies.

Production of Sponge Iron

3939. SHRI S.K.T. RAMACHANDRAN: Will the Minister of STEEL be pleased to state:

(a) what steps have been taken by Government to increase indigenous sponge iron production, so that an appreciable amount of foreign exchange outflow could be served; and

(b) what is the amount paid for the import of iron scrap in the vear 1990-91 and 1991-92?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) Government have taken several steps to increase the production of sponge iron in the country including the setting of a demonstration plant in the public sector, exemption of the sponge iron industry form the provisions of compulsory licensing and providing raw material linkages to new projects in the private sector.

(b) The approximate value of imported steel melting scrap in the last two years is given below:—

Year	Value (Rs. in crores)
1990-91	895
1991-92	480

Decline in Steel Demand

3940. SHRI MOHAMMED AMIN: SHRI ASHIS SEN:

Will the Minister of STEEL be pleased to state:

(a) whether demand for steel is going down day-by-day in the country; and

(b) if so, whether it indicates towards recession in the user industries?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SANTOSH MOHAN DEV): (a) and (b) Off-take of finished steel for domestic consumption and exports during April-October, 1992 was of the same level as in the corresponding period of the previous year. At present, there is some sluggishness in demand for steel items which is due to several factors including tight money market position, seasonal variations in demand and lower off-take by some of the user industries.

जापान को लौह अयस्क की आपूर्ति

3941. **श्री कैलाश नारायण सारंग:** क्या इस्पात मंत्री यह बताने की कृपा करेंगे कि:

(क) जापान को बैलाडीला क्षेत्र से लौह अयस्क की आपूर्ति किए जाने का निर्धारित समय कब तक है;

(ख) क्या सरकार उक्त अवधि के बाद लौह अयस्क का उपयोग घरेलू उद्योगों में करने तथा सरकारी और निजी क्षेत्र में लोह और इस्पात संयंत्रों की स्थापना करने का विचार रखती है; और